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1914



Sixtieth Annual Report

of the

Board of Directors

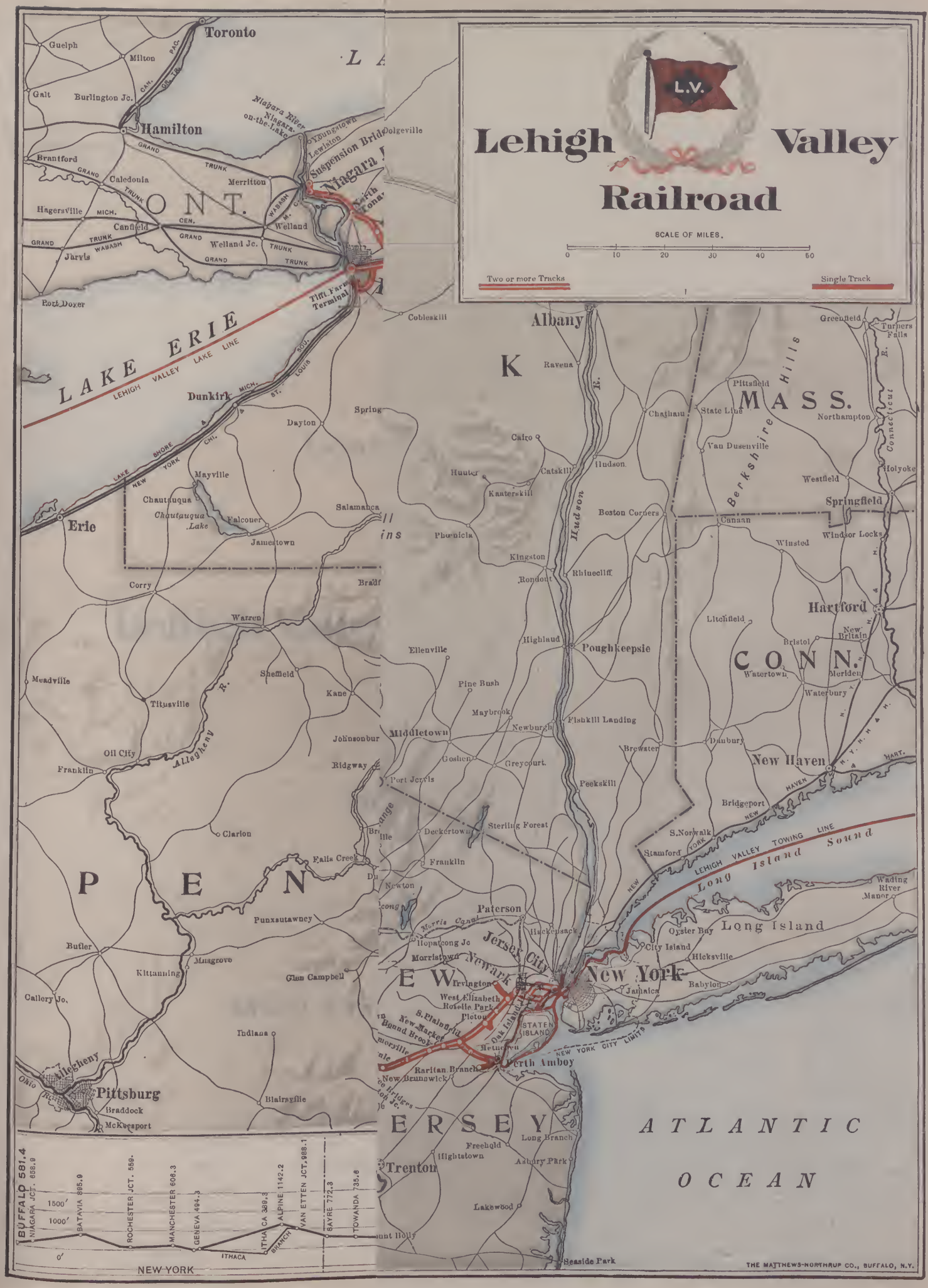
of the

Lehigh Valley Railroad Company

to the

Stockholders

Fiscal Year Ended June 30, 1914


Lehigh Valley Railroad
L.V.
SCALE OF MILES.
0 10 20 30 40 50
Two or more Tracks
Single Track
Toronto
Guelph
Milton
Galt
Burlington Jc.
Hamilton
Brantford
Caledonia
Merritton
Hagersville
Canfield
Welland
Welland Jc.
Jarvis
Port Dover
Niagara River
Niagara-on-the-Lake
Youngstown
Lewiston
Suspension Bridge
Niagara Falls
Tonawanda
Tiffi Farm Terminal
ONT.
LAKE ERIE
LEHIGH VALLEY LAKE LINE
Dunkirk
Erie
Chautauqua Lake
Mayville
Dayton
Spring
Salamanca
Jamestown
Falconer
Corry
Warren
Titusville
Meadville
Oil City
Franklin
Sheffield
Kane
Allegheny R.
Johnsonburg
Ridgway
Clarion
Falls Creek
Punxsutawney
Butler
Kittanning
Muagcove
Glen Campbell
Callery Jo.
Indiana
Blairsville
Allegheny
Pittsburg
Braddock
McKeesport
Ohio R.
PEN
Cobleskill
Albany
Ravena
Cairo
Catskill
Hudson
Hunter
Kaaterskill
Phoenicia
Boston Corners
Kingston
Rondout
Rhinecliff
Highland
Poughkeepsie
Ellenville
Pine Bush
Maybrook
Newburgh
Fishkill Landing
Middletown
Goshen
Greycourt
Port Jervis
Deckertown
Sterling Forest
Franklin
Newton
Peekskill
Brewster
Danbury
Bridgeport
New Haven
S. Norwalk
Stamford
Hudson R.
Berkshire Hills
Chatham
State Line
Pittsfield
Van Dusenville
Canaan
Winsted
Litchfield
Bristol
New Britain
Hartford
Watertown
Meriden
Waterbury
Windsor Locks
Springfield
Westfield
Holyoke
Northampton
Greenfield
Turners Falls
Connecticut R.
MASS.
CONN.
N. Y. N. H. & H.
HART.
NEW HAVEN
LEHIGH VALLEY TOWING LINE
Long Island Sound
Long Island
Wading River
Manor
Oyster Bay
City Island
Hicksville
Babylon
Jamaica
New York
NEW YORK CITY LIMITS
Paterson
Hackensack
Hopatcong Jc
Morristown
Jersey City
Newark
Irvington
West Elizabeth
Roselle Park
Plainfield
New Market
South Plainfield
Bound Brook
Oak Island
STATEN ISLAND
Metuchen
Perth Amboy
Raritan Branch
New Brunnswick
Morris Canal
NEW JERSEY
Trenton
Freehold
Hightstown
Long Branch
Asbury Park
Lakewood
Seaside Park
Bayonne Bridges
ATLANTIC OCEAN
BUFFALO 581.4
NIAGARA JCT. 658.9
BATAVIA 895.9
ROCHESTER JCT. 556.
MANCHESTER 606.3
GENEVA 494.3
ITHACA
ITHACA BRANCH
ALPINE 1142.2
VAN ETTEN JCT. 988.1
BAYRE 772.3
TOWANDA 735.6
1500'
1000'
0'
NEW YORK
THE MATTHEWS-NORTHRUP CO., BUFFALO, N.Y.

Sixtieth Annual Report

THE LEHIGH UNIVERSITY
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of the

Board of Directors

of the

Lehigh Valley Railroad Company

to the

Stockholders

Fiscal Year Ended June 30, 1914

COMPLIMENTS OF
J. A. MIDDLETON

LEHIGH VALLEY RAILROAD COMPANY

BOARD OF DIRECTORS

GEORGE F. BAKER
WILLIAM R. BUTLER
MORRIS L. CLOTHIER
WILLIAM P. CLYDE
HENRY B. COXE
FRED M. KIRBY
EDWARD S. MOORE
WILLIAM H. MOORE
ABRAM NESBITT
DANIEL G. REID
EDWARD B. SMITH
EDWARD T. STOTESBURY

OFFICERS

E. B. THOMAS *President*
J. A. MIDDLETON *Vice President*
T. N. JARVIS *Vice President*
L. D. SMITH *Vice President*
D. G. BAIRD *Secretary*
J. M. BAXTER *Treasurer*
J. I. MORRISON *General Auditor*

1914

SIXTIETH ANNUAL REPORT

PHILADELPHIA, August 12, 1914.

To the Stockholders of the

LEHIGH VALLEY RAILROAD COMPANY.

The Board of Directors herewith submit the annual report of the business and condition of your Company for the fiscal year ended June 30, 1914.

MILEAGE

The first track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N. J., to Buffalo and Suspension Bridge, N. Y., is as follows:—

	MILES
Lehigh Valley Railroad Company	316.90
Controlled by ownership of entire capital stock	938.90
Controlled by ownership of majority of capital stock and lease	115.37
Operated under lease	27.73
Total mileage operated (owned or controlled)	1,398.90
Trackage rights over railroads owned by other companies	44.84
Total first track mileage	1,443.74

In addition to the above there are 595.36 miles, or 41.24 per cent., of second track, 99.51 miles of third track, 44.84 miles of fourth track and 1,207.56 miles of yard tracks and sidings, a total of 3,391.01 miles of track in operation at the close of the year. A detailed statement of track mileage is shown on pages 49 to 51. The average number of miles of railway operated for the year was 1,439.99, upon which the mileage statistics in certain tables submitted in this report are based.

The total increase of 36.18 track miles over the preceding year is due, in the main, to the construction of the Seneca Falls Branch, extension of third track and additional sidings at terminals and important yards.

OPERATING REVENUES AND EXPENSES

The following statement sets forth the total revenues and expenses and net revenue from operation for the fiscal year, not including outside operations and other income, compared with similar figures for the fiscal year 1913. The complete income account appears on page 26.

Operating Revenues

From	1914	1913	Increase	Decrease
Coal freight	$18,492,683 35	$20,385,389 09		$1,892,705 74
Merchandise freight	15,026,684 11	16,339,748 97		1,313,064 86
Passenger	4,795,147 44	4,867,554 03		72,406 59
Mail	195,052 87	191,821 11	$3,231 76	
Express	443,971 75	506,191 11		62,219 36
Other transportation	478,453 44	415,731 71	62,721 73	
Miscellaneous	351,570 99	336,935 87	14,635 12	
Total operating revenues	$39,783,563 95	$43,043,371 89		$3,259,807 94

Operating Expenses

	1914	1913	Increase	Decrease
Maintenance of way and structures	$4,575,061 96	$5,694,422 24		$1,119,360 28
Maintenance of equipment	7,011,946 34	7,561,270 87		549,324 53
Traffic expenses	1,002,872 11	982,857 66	$20,014 45	
Transportation expenses	14,071,182 70	13,993,617 35	77,565 35	
General expenses	948,098 72	875,651 45	72,447 27	
Total operating expenses	$27,609,161 83	$29,107,819 57		$1,498,657 74
Net Operating Revenue	$12,174,402 12	$13,935,552 32		$1,761,150 20
Ratio of operating expenses to operating revenues	69.40%	67.62%	1.78%	

OPERATING REVENUES

COAL FREIGHT

The transportation of coal and coke produced a revenue of $18,492,683.35, a decrease of $1,892,705.74, or 9.28 per cent., as compared with the preceding twelve months.

The percentage of coal freight revenue to total operating revenues was 46.48 per cent., a decrease of .88 per cent.

The coal and coke transported, excluding the Company's supply coal, was 16,464,948 tons, a decrease of 1,430,459 tons, or 7.99 per cent.

This class of tonnage was 55.02 per cent. of the total tonnage hauled during the year, a decrease of .27 per cent.

MERCHANDISE FREIGHT

The revenue received from the transportation of merchandise freight was $15,026,684.11, a decrease of $1,313,064.86, or 8.04 per cent., as compared with the preceding year.

The revenue derived from the transportation of merchandise freight was 37.77 per cent. of the total operating revenues, a decrease of .19 per cent.

The tonnage moved, excluding Company's material, was 13,459,171 tons, a decrease of 7.00 per cent.

GENERAL FREIGHT

The total revenue from both coal and merchandise freight was $33,519,367.46, a decrease of $3,205,770.60, or 8.73 per cent., as compared with the preceding twelve months.

The entire freight traffic amounted to 29,924,119 tons, a decrease of 2,443,677 tons, or 7.55 per cent.

The number of tons carried one mile was 5,218,751,555, a decrease of 593,633,362 ton miles, or 10.21 per cent.

The average haul was 174.40 miles, a decrease of 5.17 miles, or 2.88 per cent.

The average revenue per ton was 112.01 cents, as compared with 113.46 cents last year, a decrease of 1.45 cents, or 1.28 per cent.

Company's freight, not included in the above, amounted to 3,135,755 tons, a decrease of 186,286 tons, or 5.61 per cent.

The total freight train mileage was 8,768,300 miles, a decrease of 935,011 miles, or 9.64 per cent.

The revenue received per freight train mile was $3.82, an increase of $0.04, or 1.06 per cent.

The average trainload of revenue freight was 595.18 tons, a decrease of 3.83 tons, or .64 per cent. Including Company's freight, the average trainload was 617.13 tons, a decrease of 3.58 tons, or .58 per cent.

PASSENGER

The earnings from passenger traffic amounted to $4,795,147.44, a decrease of $72,406.59, or 1.49 per cent., compared with the preceding year.

The total number of passengers carried was 5,729,042, an increase of 210,518, or 3.81 per cent.

The number of passengers carried one mile decreased 6,353,172, or 2.34 per cent.

The average revenue per passenger was 83.70 cents, a decrease of 4.50 cents, or 5.10 per cent.

The average revenue per passenger per mile was 1.807 cents, an increase of .015 cent, or .84 per cent.

The average distance traveled by each passenger was 46.31 miles, a decrease of 2.92 miles, or 5.93 per cent.

Passenger train mileage was 4,340,095, a decrease of 150,918 miles, or 3.36 per cent., as compared with a decrease in this revenue of 1.49 per cent.

The average revenue from passengers per passenger train mile was 110.48 cents, an increase of 2.10 cents, or 1.94 per cent.

MAIL

The sum of $195,052.87 was received from the Federal Government for the transportation of United States mails, an increase of $3,231.76.

EXPRESS

The revenue from this class of business amounted to $443,971.75, a decrease of $62,219.36.

OTHER TRANSPORTATION

The earnings derived from transportation other than shown under the preceding headings were $478,453.44, an increase of $62,721.73.

MISCELLANEOUS

Miscellaneous revenue amounted to $351,570.99, an increase of $14,635.12.

OPERATING EXPENSES

MAINTENANCE OF WAY

The expenditures for maintenance of way and structures amounted to $4,575,061.96, a decrease of $1,119,360.28 or 19.66 per cent., as compared with the preceding year.

Seven steel bridges, one concrete-steel bridge and seven steel reinforced concrete culverts were built in connection with additional track construction. Eighteen steel bridges and six concrete-steel bridges were placed in the track, replacing light iron or wooden bridges and seven iron bridges were strengthened. Seven bridges were replaced by pipe culverts and three iron bridges were abandoned and the openings filled. One steel highway bridge with concrete floor was built to eliminate a grade crossing, one wooden highway bridge was replaced by a steel structure and one iron highway bridge was replaced by a new steel bridge with concrete floor. One arch culvert was extended for two additional tracks and another was filled up and abandoned.

4,203 tons of 110-pound rail, 21,440 tons of 100-pound rail and 31 tons of 90-pound rail, together with necessary frogs, switches, etc., were placed in the track.

1,146,583 tie plates and 238,649 anti-rail creepers were used.

809,663 cross ties, 2,323,285 feet B. M. switch ties, 615,754 feet B. M. bridge ties and lumber amounting to 4,139,088 feet B. M. were used.

537,952 of the cross ties, 1,882,832 feet B. M. of switch ties and 560,112 feet B. M. of bridge ties were treated with creosote.

40,761 cubic yards of crushed stone were used in ballasting track. 40,512 feet of drain tile were placed in the roadbed.

1,630.47 miles of copper and 148.76 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

MAINTENANCE OF EQUIPMENT

The sum of $7,011,946.34 was expended for the maintenance of equipment, a decrease of $549,324.53, or 7.26 per cent., as compared with the preceding twelve months. Included therein is a charge of $1,234,729.16 for the depreciation of equipment, as called for by the accounting requirements of the Interstate Commerce Commission.

Sixteen worn-out locomotives, one combined passenger and baggage car, one express car, 730 freight equipment cars and forty-two road service cars were condemned and either sold or destroyed during the year and their value written off the books by appropriate charges through operating expenses.

Three library buffet cars were converted into combined passenger and baggage cars, one baggage and express car into a combined baggage and mail car, three passenger coaches and one combined passenger and baggage car into workmen's cars and 169 produce cars into ice cars. Three combined passenger and baggage cars were transferred to caboose service and 140 freight equipment cars to road service.

One light passenger engine has been converted into an inspection engine. Seventy-six locomotives have been equipped with additional air pumps and fifty-two with bull's-eye lubricators, replacing old tubular lubricators, to meet the requirements of the Interstate Commerce Commission. 1,044 locomotives received heavy and general repairs.

411 passenger equipment cars received heavy repairs, 252 were painted and varnished and thirty-six equipped with electric lighting apparatus. Two dining cars, twelve wooden coaches and one milk car were equipped with steel underframes.

Steel underframes were applied to 1,779 wooden freight and coal cars, making a total of 12,372 cars so equipped during the last six years. 9,643 freight equipment cars, 154 passenger equipment cars and thirty-nine road service cars were equipped with safety appliances to conform to the requirements of the Interstate Commerce Commission. 261 steel coal cars and high side gondolas, of 100,000 pounds capacity each, were equipped with solid steel wheels. 27,480 freight equipment cars received heavy and general repairs.

The total number of locomotives on hand at the close of the year was 947, with a tractive power of 30,231,790 pounds. The total number of freight equipment cars was 46,080, with a capacity of 1,710,000 tons.

TRAFFIC EXPENSES

The expenditures under this heading amounted to $1,002,872.11, an increase of $20,014.45, as compared with the preceding twelve months.

TRANSPORTATION EXPENSES

The cost of conducting transportation was $14,071,182.70, an increase of $77,565.35, or .55 per cent., over the preceding year.

The ratio of transportation expenses to total operating revenues was 35.37 per cent., as compared with 32.51 per cent. last year, an increase of 2.86 per cent.

GENERAL EXPENSES

This class of expenses amounted to $948,098.72, or 2.38 per cent. of the total operating revenues. The increase of $72,447.27, compared with the preceding year, is due almost entirely to the expenses incurred in valuing the Company's property.

TAXES

The taxes accrued on your property, capital and business during the year amounted to $1,691,241.47, an increase of $82,090.08 over the preceding year.

ADDITIONS AND BETTERMENTS

There was expended during the year, for the acquisition of new property and for the improvement and development of existing property, the sum of $7,647,524.25, which was charged to Additions and Betterments. A statement of these expenditures, classified as required by the Interstate Commerce Commission, appears on page 46. The more important expenditures are here specifically referred to:—

The new equipment purchased and added to the property during the year is as follows: Thirty-eight freight locomotives, seven passenger locomotives, fifteen switching locomotives, seven locomotive tenders, thirty-five steel passenger coaches, one thousand 80,000-pound steel underframe box cars, two thousand 100,000-pound steel coal cars, twenty-six 100,000-pound flat cars, three steel well cars of 220,000 pounds capacity each, one hundred eight-wheel cabooses, two locomotive cranes and one 120-ton steam derrick. A portion of this equipment is covered by the Equipment Trusts mentioned in detail under the heading "Financial."

In addition to the foregoing, orders have been placed for three passenger locomotives, ten switching locomotives, thirty steel passenger coaches, ten steel smoking cars, twenty-five steel baggage cars, twenty-five 80,000-pound flat cars and twenty-four 100,000-pound flat cars.

Construction work in connection with the passenger and freight terminals at Buffalo is being advanced as rapidly as possible. The raising and lengthening of the viaducts carrying the several streets over the right of way was practically completed June 30th. Detail plans for the station structures are in course of preparation and work will be started thereon at an early date, as provided in the contract with the City of Buffalo.

The extension of the Seneca Falls Branch for a distance of 5.7 miles to a connection with the New York Central and Hudson River Railroad, the rebuilding of the Cayuga Branch and the installation of the necessary "Y" connection with the Auburn and Ithaca Branch at Cayuga Junction were completed and the line placed in operation on July 1, 1914. These improvements, together with trackage rights over the New York Central and Hudson River Railroad for a distance of 2.2 miles, mentioned in the preceding annual report, will shorten the haul from Auburn and points north to Geneva and points west by 55.2 miles.

The third track from Pittsburg and Lehigh Junction to North LeRoy, a distance of 4.98 miles, referred to in the last annual report, was completed, making a continuous third-track system of 12.07 miles on an ascending grade between the former point and Stafford. This improvement will greatly facilitate the movement of freight trains.

213,259 feet, or 40.39 miles, of Company's sidings and 20,117 feet, or 3.81 miles, of industrial sidings were constructed during the year.

The excavation of the rock cut and the building of the necessary concrete retaining walls to provide room for the construction of a switching lead from Florence Yard, mentioned in the preceding annual report, have been completed and the construction of the track will be undertaken shortly. An additional switching lead and tracks for crippled cars were constructed at Richards. A trestle with the necessary tracks for transferring bulk freight was built at Suspension Bridge and tracks with a capacity of forty cars to provide for the transferring of freight from crippled cars were constructed at Tifft Farm, Buffalo. The yards at Plainsville, Delano and South Plainfield were enlarged, resulting in increased capacities of 205, 93 and 80 cars, respectively, and the yard for the interchange of business with the New York Central and Hudson River Railroad at Sterling was re-arranged and the capacity slightly increased. The yard tracks at Ithaca were moved to a new location, the land on which they formerly laid having been transferred to the State of New York for barge canal purposes.

Additional freight delivery tracks, with paved driveways, were constructed at East 22nd Street, Bayonne, and the driveways leading to the freight house at Elmira, the passenger and freight stations at Cortland and the passenger station at Hazleton were paved.

The concrete and steel transfer platforms, with necessary office and other buildings at Manchester, mentioned in the last annual report, have been completed and placed in operation. To facilitate the transferring of freight, electrically operated trucks are used.

Seventeen stalls of reinforced concrete construction, each 102 feet in length, were added to the Coxton roundhouse, making a total of thirty-two stalls, and in connection therewith a steel and brick machine shop was constructed.

To improve the method of cleaning the interior of freight cars used in the transportation of grain and grain products, a track with platform and hot water connections was installed at Tifft Farm, Buffalo. The rebuilding of the ore dock at that point, mentioned in the preceding annual report, was completed and an electric car haulage system was installed on the coal shipping trestle.

Hollow tile and concrete structures were erected as follows: A passenger and freight station at Gorham; a passenger station at Lehighton; a freight house at East 22nd Street, Bayonne; and a tool and bunk house at Vosburg.

An ice house of 1,000 tons capacity was erected at Mauch Chunk. The ice house at Jutland was enlarged and the freight station and platform at Rochester were extended. At Warren Street, Jersey City, the milk platform was extended and the driveway paved. Improvements were made to the milk shipping stations at Jutland, Wysox, Springville, Freeville, Truxton and Fair Haven.

At Wilkes-Barre, Cortland, Auburn and Canastota 46-ft. track scales were installed, replacing 38-ft. scales, and the track scales at National Stores were strengthened and moved to a new location.

An air-testing plant was installed in the Claremont Yard, Jersey City, and air compressors were placed in the enginehouse at Lehighton and the machine shop at Hazleton. A new air compressor, with necessary extensions of the pipe lines, and an electric generator for lighting the buildings and yard, were installed at Delano. A thirty-ton electric derrick was erected at Easton.

At Coxton and Lehighton 100-ft. electrically operated turntables were installed and the 75-ft. turntable replaced at Coxton was moved to Towanda. The 60-ft. turntable at Auburn was replaced with a 70-ft. table and an electric tractor was installed on the one at Cortland.

Eighteen gasoline motor cars were purchased for use of section, bridge, signal and telegraph gangs, making a total of ninety-nine now in service.

Two 40,000-gallon standard steel water tanks were erected at the Lehighton enginehouse, replacing one wooden tank, and a new 50,000-gallon wooden tank on concrete foundation was erected at Richford. A brick addition is being made to the pumphouse at Manchester and new large capacity steam pumps with boilers are being installed. Owing to the recurring shortage of water on the Mountain Cut-Off during the summer season, an emergency pumping system was installed in connection with the Gardner's Run water station, drawing water from another source. Extensive improvements are being made in connection with the water supply at Lehighton and Packerton, comprising the construction of a reservoir of 5,000,000 gallons capacity on Beaver Run and a dam across Mahoning Creek, together with electric pumping machinery and necessary pipe lines, which will afford an independent and ample supply of water for the locomotives and shops at those points.

Mechanical interlocking plants were installed at the coal docks at Perth Amboy and at the ends of the third and fourth tracks west of Flagtown. A complete revision of the interlocking at Pittsburg and Lehigh Junction was made in connection with the third track work in that vicinity. Improvements were made to the interlocking plants at East Penn Junction, Packerton, Black Creek Junction, Hazle Creek Junction, Pittston Junction and Tifft Farm Junction.

The Lehigh and Lake Erie and Ithaca Branches have been completely equipped with three-position upper-quadrant automatic acetylene gas lighted signals and the new third track from Pittsburg and Lehigh Junction to North LeRoy with two-position lower-quadrant automatic signals. The automatic disc signals between Slatington and Phillipsburg have been replaced by three-position upper-quadrant signals, acetylene gas lighted, and the automatic disc signals between Athens and Laceyville have been replaced by two-position lower-quadrant signals. Mechanical signals were installed at Gerhard's, Stewarts and Quakake to protect crossovers at those points. Controlled absolute electric block signals were placed at New Boston Junction and manual absolute block signals were installed at Mt. Carmel.

Visible and audible crossing signals were installed at nine highway crossings at grade and at three crossings visible features were added to the audible signals already in service.

New telegraph and telephone pole lines were erected for a distance of 1.50 miles on the New Jersey and Lehigh Division, .33 mile on the Mahanoy and Hazleton Division, 5.70 miles on the Auburn Division and .35 mile on the Buffalo Division. Telegraph and telephone lines were rebuilt for a distance of 1.58 miles on the New York Division, 14.65 miles on the New Jersey and Lehigh Division, 10.65 miles on the Wyoming Division, one mile on the Auburn Division and 22.35 miles on the Buffalo Division. Poles were reset for a distance of 38.55 miles on the New Jersey and Lehigh Division and 18.30 miles on the Wyoming Division.

FINANCIAL

To provide cash funds for the retirement of $2,000,000 Elmira, Cortland and Northern Railroad Company Five and Six Per Cent. Bonds, which matured April 1, 1914, the purchase of additional equipment and the prosecution of needed improvements to the property, your Company issued, under its General Consolidated Mortgage dated September 30, 1903, $10,000,000 Four and One-half Per Cent. Gold Bonds, maturing May 1, 2003, which were sold and the proceeds used or will be used for the purposes stated. The mortgage in question provides for the issuance of bonds bearing interest at such rate as the Company may, from time to time, determine, up to but not exceeding five per cent. per annum. Although previous issues of bonds under that mortgage have been at the interest rate of four per cent., after careful reflection by the Board of Directors, it was deemed advisable to have the above issue bear interest at the rate of four and one-half per cent. per annum, in view of the existing condition of the market for railroad securities.

These $10,000,000 bonds represent the only new capital obligations issued and sold by your Company to provide it with funds for capital expenditures since the sale to stockholders, in 1910, of 403,338 shares of capital stock at par, which produced funds of $20,166,900. Since then, viz., July 1, 1910, the Company has made capital expenditures (referred to in the yearly reports) for the retirement of obligations in the hands of the public, acquisition of new property and improvements to existing property, as follows:—

Securities in Hands of Public Retired:—		
Bonds:—		
Lehigh Valley Railroad Company Second Mortgage 7%	$6,000,000.00	
Lehigh Valley Railroad Company Collateral Trust 4% (matured)	4,000,000.00	
Lehigh Valley Railroad Company Collateral Trust 4% (purchased)	1,255,592.89	
Elmira, Cortland and Northern Railroad Company First Mortgage Preferred 6%	750,000.00	
Elmira, Cortland and Northern Railroad Company First Mortgage 5%	1,250,000.00	
Equipment Trust, Series J, Certificates 4½%	2,000,000.00	
		$15,255,592.89
Capital Stock Guaranteed by Lehigh Valley Railroad Company:—		
Morris Canal and Banking Company Preferred 10%	$1,476,917.65	
Morris Canal and Banking Company Consolidated 4%	472,027.12	
		1,948,944.77
Real Estate Mortgage		115,000.00
Expenditures for Property:—		
Construction Hays Creek and Buck Mountain Branches		1,069,889.74
New property and additions and betterments chargeable to Capital Accounts of Lehigh Valley Railroad and subsidiary companies		9,911,766.73
Rolling stock and floating equipment		12,028,267.86
Total July 1, 1910, to June 30, 1914, inclusive		$40,329,461.99
Proceeds of increase in capital stock in 1910		20,166,900.00
Balance		$20,162,561.99

From the foregoing it will be observed that up to the close of the present fiscal year the Company has expended $20,162,561.99 in excess of the funds raised by the increase in the capital stock. That portion of the funds representing this balance, not derived from the sale of the $10,000,000 of bonds referred to, has been provided out of the cash resources of the Company.

The following capital obligations of your Company matured and were retired during the year:—

DESCRIPTION	INTEREST RATE	MATURITY	AMOUNT
Collateral Trust Bonds	4%	Feb. and Aug.	$1,000,000
Equipment Trust, Series I, Certificates	4%	September	400,000
Equipment Trust, Series J, Certificates	4½%	Mar. and Sept.	500,000
Equipment Trust, Series K, Certificates	4%	Mar. and Sept.	300,000
Elmira, Cortland and Northern Railroad Company Bonds: –			
First Mortgage Preferred	6%	April	750,000
First Mortgage	5%	April	1,250,000
Total			$4,200,000

An Equipment Trust, designated Series L, was created during the year, under which were issued $2,400,000 Four and One-half Per Cent. Certificates, maturing in semi-annual installments April 1st and October 1st, each year, the final maturity being October 1, 1919. $200,000 matured April 1st and the remainder, $2,200,000, have been placed in the treasury and are available for sale or other disposition as occasion may require. This trust is a lien upon one thousand self-clearing double hopper steel coal cars of 100,000 pounds capacity each, one thousand steel underframe box cars of 80,000 pounds capacity each and twenty-five freight locomotives.

An additional Equipment Trust, known as Series M, covering the issue of $1,800,000 Four and One-half Per Cent. Certificates, was also authorized and will be a lien upon one thousand self-clearing double hopper steel coal cars of 100,000 pounds capacity each, sixty-five steel passenger coaches, twenty-five steel baggage and express and ten steel smoking cars. This equipment is now under construction and delivery will be completed in the near future, at which time the certificates will be executed and placed in the treasury. These certificates will mature in annual installments of $200,000 on March 1st each year, commencing March 1, 1915, the last installment falling due March 1, 1923.

The advances made by the Lehigh Valley Railroad Company to subsidiary companies, of which it owns the entire capital stock, were reimbursed by the issuance of Fifty-Year Five Per Cent. Gold Debentures, as follows:

The Lehigh Valley Rail Way Company	$3,000,000
Lehigh Valley Railroad Company of New Jersey	275,000
Lehigh Valley Transportation Company	175,000
Pennsylvania and New York Canal and Railroad Company	135,000
National Storage Company	35,000
Easton and Northern Railroad Company	18,000
Montrose Railroad Company	3,000

These securities, with the exception of those issued by the Montrose Railroad Company which are in your treasury, have been deposited with the Trustee as required by the terms of the General Consolidated Mortgage. Included in the advances to The Lehigh Valley Rail Way Company, for which $3,000,000 of debentures as above were received, is the sum of $2,000,000 which was used to retire a like amount of bonds of the Elmira, Cortland and Northern Railroad Company which matured April 1, 1914, that company having been merged with The Lehigh Valley Rail Way Company in February, 1905.

There have also been received and placed in the treasury of your Company $30,000 Wyoming Valley Water Supply Company First Mortgage Five Per Cent. Bonds, in reimbursement of advances made to that company for capital expenditures.

The account "Advances to Subsidiary Real Estate Companies" shows an increase of $117,020.74 over the preceding year, due to additional real estate acquired for terminal and other improvements.

The charter of the Penn Haven Junction and Glen Onoko Railroad Company, organized in 1902 to project a branch line from Penn Haven Junction to Glen Onoko, was allowed to lapse, as there was no further necessity for maintaining that corporation. The nominal amount of capital stock issued has been written off the books.

In accordance with the practice in preceding years the book value of the capital stock of Coxe Brothers & Company, Incorporated, has been reduced by the sum of $1,000,000, Profit and Loss having been charged with that amount.

Materials and Supplies on hand at the close of the year amounted to $3,373,260.78, a decrease of $492,084.99.

Working Assets are $33,077,353.61 in excess of Working Liabilities.

Semi-annual dividends of five per cent. each on the preferred and common capital stocks of the Company were declared in December, 1913, payable in January, 1914, and quarterly dividends of two and one-half per cent. each were declared in March and June, 1914, payable in April and July, 1914, respectively.

Certified public accountants have verified the cash and security balances of the Company for the year and furnished a certificate as to the correctness of the same, which is given on page 21.

GENERAL REMARKS

The Company has experienced a sharp decline in its earnings for the year under review from practically all sources of revenue as a result of the general business depression throughout the country. In addition, the earnings from the transportation of anthracite

coal have been adversely affected by dull trade conditions in that commodity incident to the exceptionally mild winter, particularly in the Northwest. Some reduction was effected in the operating expenses, but with the high rates of wages paid and high prices of all commodities required in railroad operation it was impossible to reduce expenses proportionately to the falling off in earnings. The increase due to compliance with the so-called "Full Crew Laws" of the States through which your Company's lines pass and the increase granted labor amounted to approximately $375,000 for the year. All work not immediately necessary for safety and economy of operation or to maintain the property in its usual high state of efficiency, together with such improvements and extensions as could be deferred, has, of course, been suspended until general business improves.

In order to establish a closer relationship in the operation of the Lehigh Valley Railroad Company of New Jersey, which is owned by your Company, it was deemed advisable to effect a lease of the property and appurtenances of the New Jersey Company. Accordingly, by proper action of both Companies and with the approval of the Board of Public Utility Commissioners of New Jersey, a lease has been consummated for a term of ninety-nine years from July 1, 1914, the consideration being the cost of maintenance, taxes, the payment of interest on all bonded and other indebtedness and providing also for reimbursement, by the issue of securities to your Company, for amounts expended for additions and betterments to the property.

The Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company, has fully maintained its floating equipment and has, in fact, added to the same during the year by the purchase of one steel tug, one steam lighter, one steel car float, two steam hoisting barges, five covered refrigerator barges, five covered house barges and five open lighters equipped with gasoline hoists. In addition to the above, five covered house barges were ordered but have not as yet been delivered. One covered barge was converted into a cattle boat, one fuel lighter was sold, and nine barges, unfit for further service, were condemned and sold. The inventory of equipment on page 48 shows in detail the floating equipment used by your Company and its affiliated companies.

Thus far the Legislature of the State of New Jersey has failed to pass any bill which would relieve the Company from the necessity of operating the Morris Canal and settle the various matters in dispute with the State, although every effort has been made in that direction by your Company. Further efforts to bring about a satisfactory adjustment of the points at issue are being made.

Your Company entered into a contract with the American Express Company covering the handling of express business over your lines beginning July 1, 1914, the United States Express Company, which formerly handled this business, having served notice terminating its contract with your Company, effective June 30, 1914.

A loss of $199,598.04 for the year was experienced in the operation of the Lehigh and New York Railroad under the lease made in 1895.

Fifty-nine new industries were located on the system during the year, of which forty-nine have direct track connections with your Company's lines.

There were no fatalities to the 5,729,042 passengers carried during the year, resulting from a train accident. There has further been a very gratifying decrease in the injuries to employes as a result of the Safety Committee work conducted by the Company and its men.

The total payments direct to labor for the year amounted to $17,120,151.82, or 56.30 per cent. of the total operating expenses, including outside operations, the same having been distributed among an average of 22,017 employes.

Your Company contributed $59,677.13 to its Employes' Relief Fund.

Mr. Morris L. Clothier, of Philadelphia, and Mr. William P. Clyde, of New York, were elected Directors to fill the vacancies caused by the resignations of Mr. George F. Baer and Mr. Charles Steele.

The Directors thank the officers and employes for their faithful and efficient services rendered during the year.

E. B. THOMAS,

President.

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTS
30 BROAD STREET
NEW YORK

CHICAGO HARRIS TRUST BUILDING
ST. LOUIS THIRD NATIONAL BANK BUILDING
CLEVELAND WILLIAMSON BUILDING
PITTSBURGH FARMERS BANK BUILDING
BALTIMORE CALVERT BUILDING
SAN FRANCISCO CROCKER BUILDING

LONDON, E. C.
30 COLEMAN STREET

CABLE ADDRESS "HASKSELLS"

NEW YORK, August 1, 1914.

Mr. E. B. Thomas, President,

Lehigh Valley Railroad Company,

Philadelphia, Pennsylvania.

DEAR SIR:

Pursuant to engagement, we have audited the books and accounts of the Lehigh Valley Railroad Company for the fiscal year ended June 30, 1914, including confirmation of the accounts representing cash, securities, and notes, either by physical examination of such assets or by obtaining certifications of depositaries and trustees as to their custody; and

WE HEREBY CERTIFY that the accompanying Income and Profit & Loss accounts for the year and General Balance Sheet at the close of the year are correct.

Yours truly,

(Signed) HASKINS & SELLS,

Certified Public Accountants.

APPENDIX

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COMPARATIVE INCOME ACCOUNT FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

	1914	1913	Increase	Decrease
Operating Revenues:—				
Coal freight revenue	$18,492,683 35	$20,385,389 09		$1,892,705 74
Merchandise freight revenue	15,026,684 11	16,339,748 97		1,313,064 86
Passenger revenue	4,795,147 44	4,867,554 03		72,406 59
Mail revenue	195,052 87	191,821 11	$3,231 76	
Express revenue	443,971 75	506,191 11		62,219 36
Other transportation revenue	478,453 44	415,731 71	62,721 73	
Miscellaneous revenue	351,570 99	336,935 87	14,635 12	
Total operating revenues	$39,783,563 95	$43,043,371 89		$3,259,807 94
Operating Expenses:—				
Maintenance of way and structures	$4,575,061 96	$5,694,422 24		$1,119,360 28
Maintenance of equipment	7,011,946 34	7,561,270 87		549,324 53
Traffic expenses	1,002,872 11	982,857 66	$20,014 45	
Transportation expenses	14,071,182 70	13,993,617 35	77,565 35	
General expenses	948,098 72	875,651 45	72,447 27	
Total operating expenses	$27,609,161 83	$29,107,819 57		$1,498,657 74
Ratio of operating expenses to operating revenues	69.40 %	67.62 %	1.78 %	
Net operating revenue	$12,174,402 12	$13,935,552 32		$1,761,150 20
Outside Operations, Net	*280,244 11	*280,210 32		33 79
Total Net Revenue	$11,894,158 01	$13,655,342 00		$1,761,183 99
Railway Tax Accruals	1,549,895 38	1,447,205 04	$102,690 34	
Operating Income	$10,344,262 63	$12,208,136 96		$1,863,874 33
Other Income:—				
Hire of equipment—Balance	$327,655 51	$286,732 93	$40,922 58	
Joint facility rent income	402,957 70	416,543 34		$13,585 64
Dividend income	†1,241,034 58	666,123 10	574,911 48	
Income from funded securities	423,060 00	382,314 16	40,745 84	
Miscellaneous income	469,564 64	552,041 07		82,476 43
Total other income	$2,864,272 43	$2,303,754 60	$560,517 83	
Total Income	$13,208,535 06	$14,511,891 56		$1,303,356 50
Deductions from Income:—				
Interest deductions for funded debt	$3,308,428 49	$3,127,360 15	$181,068 34	
Deductions for lease of other roads	2,212,420 00	2,239,295 00		$26,875 00
Joint facility rent deductions	210,322 40	167,062 33	43,260 07	
Miscellaneous tax accruals	141,346 09	161,946 35		20,600 26
Miscellaneous deductions	279,358 39	54,399 51	224,958 88	
Total deductions from income	$6,151,875 37	$5,750,063 34	$401,812 03	
Net Income	$7,056,659 69	$8,761,828 22		$1,705,168 53

* Deficit.

† Includes dividend of $685,080.00 on stock of Temple Iron Co.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 1914

		Dr.	Cr.
Balance, July 1, 1913			$25,066,231 42
Net income for year ended June 30, 1914			7,056,659 69
Reduction of book value of capital stock of Coxe Brothers & Co., Inc.		$1,000,000 00	
Discount on general consolidated mortgage bonds sold		1,000,000 00	
Property abandoned		78,492 83	
Miscellaneous adjustments		84,914 53	
Dividends :			
Five per cent. on preferred stock, paid Jan. 10, 1914	$5,315 00		
Five per cent. on common stock, paid Jan. 10, 1914	3,025,085 00		
Two and one-half per cent. on preferred stock, paid April 11, 1914	2,657 50		
Two and one-half per cent. on common stock, paid April 11, 1914	1,512,542 50		
Two and one-half per cent. on preferred stock, due July 11, 1914	2,657 50		
Two and one-half per cent. on common stock, due July 11, 1914	1,512,542 50		
		6,060,800 00	
Balance, June 30, 1914		23,898,683 75	
		$32,122,891 11	$32,122,891 11
Balance brought forward, July 1, 1914			$23,898,683 75

GENERAL BALANCE

Dr.

ASSETS

ROAD AND EQUIPMENT:—		
Investment to June 30, 1907	$54,365,714 13	
Investment since June 30, 1907	24,065,602 97	
	$78,431,317 10	
Less reserve for accrued depreciation	7,167.563 18	
		$71,263,753 92
SECURITIES:—		
Securities of proprietary, affiliated, and controlled companies —pledged	$35,717,451 58	
Securities of proprietary, affiliated, and controlled companies —unpledged	3,978,432 83	
		39,695,884 41
OTHER INVESTMENTS:—		
Advances to proprietary, affiliated, and controlled companies for construction, equipment and betterments	$211,036 79	
Real estate	479,785 99	
Advances to subsidiary real estate companies	3,325,381 40	
Securities—pledged	26,911,855 93	
Securities—unpledged	8,424,332 93	
		39,352,393 04
WORKING ASSETS:—		
Cash	$11,020,820 79	
Securities issued or assumed—held in treasury	18,711,000 00	
Marketable securities	325,000 00	
Traffic and car-service balances due from other companies	198,666 03	
Net balance due from agents and conductors	804,100 06	
Miscellaneous accounts receivable	2,556,328 63	
Materials and supplies	3,373,260 78	
Other working assets	162,763 03	
		37,151,939 32
ACCRUED INCOME NOT DUE:—		
Unmatured interest, dividends and rents receivable		233,149 97
DEFERRED DEBIT ITEMS:—		
Advances	$1,116,597 55	
Rents and insurance paid in advance	147,007 58	
Other deferred debit items	1,345,342 99	
		2,608,948 12
TOTAL ASSETS		$190,306,068 78

SHEET, JUNE 30, 1914

Cr.

LIABILITIES

CAPITAL STOCK :—		
1,210,034 shares common stock, par $50	$60,501,700 00	
2,126 shares preferred stock, par $50	106,300 00	
		$60,608,000 00
*FUNDED DEBT :—		
Mortgage bonds	$77,639,000 00	
Collateral trust bonds	12,000,000 00	
Equipment trust obligations	6,200,000 00	
Mortgage on real estate	1,669 18	
		95,840,669 18
WORKING LIABILITIES :—		
Traffic and car-service balances due to other companies	$29,681 68	
Audited vouchers and wages unpaid	2,985,982 79	
Miscellaneous accounts payable	182,702 14	
Matured interest, dividends and rents unpaid	413,396 75	
Other working liabilities	462,822 35	
		4,074,585 71
ACCRUED LIABILITIES NOT DUE :—		
Unmatured interest and rents payable	$933,041 33	
Dividends declared June 17, due July 11, 1914	1,515,200 00	
Taxes accrued	505,778 60	
		2,954,019 93
DEFERRED CREDIT ITEMS :—		
Other deferred credit items		2,930,110 21
PROFIT AND LOSS		23,898,683 75
TOTAL LIABILITIES		$190,306,068 78

* $18,711,000.00 held in the treasury of the Company.

STATEMENT OF FUNDED DEBT, JUNE 30, 1914

Description	Date of Maturity	Interest		Accrued During the Year	Principal
		Rate	Payable		
Lehigh Valley Railroad Company:—					
First Mortgage Bonds	June 1, 1948	4%	June and Dec.	$200,000 00	$5,000,000 00
Consolidated Mortgage Bonds:—					
Coupon $1,319,000	Dec. 1, 1923	6%	June and Dec.		
Registered 4,319,000	"	6%	"		
Annuity 10,062,000	Perpetual	6%	"	942,000 00	15,700,000 00
Coupon $1,669,000	Dec. 1, 1923	4½%	"		
Registered 3,093,000	"	4½%	"		
Annuity 2,538,000	Perpetual	4½%	"	328,500 00	7,300,000 00
General Consolidated Mortgage Bonds	May 1, 2003	4%	May and Nov.	1,065,560 00	26,639,000 00
		4½%	"	241,250 00	10,000,000 00
Collateral Trust Bonds	$500,000 semi-annually, to Feb. 1, 1926	4%	Feb. and Aug.	442,893 34	10,739,000 00
Equipment Trust, Series J, Certificates	$250,000 semi-annually, to Sept. 1, 1917	4½%	Mar. and Sept.	88,125 00	1,750,000 00
Mortgage on Real Estate				100 15	1,669 18
Total amount of funded debt outstanding				$3,308,428 49	$77,129,669 18

Amount of Funded Debt in the Treasury of the Company, viz:—

General Consolidated Mortgage Bonds	13,000,000 00
Collateral Trust Bonds	1,261,000 00
Equipment Trust, Series I, 4% Certificates maturing $400,000 annually to September 1, 1916	1,200,000 00
Equipment Trust, Series K, 4% Certificates maturing $150,000 semi-annually to September 1, 1917	1,050,000 00
Equipment Trust, Series L, 4½% Certificates maturing $200,000 semi-annually to October 1, 1919	2,200,000 00
Total funded debt, per balance sheet	$95,840,669 18

RENTALS OF LEASED ROADS AND GUARANTIES, YEAR ENDED JUNE 30, 1914

Guaranties	Principal	Date of Maturity	Interest Rate	Interest Payable	Interest Accrued During the Year
Lehigh Valley Terminal Ry. Co.:—					
First mortgage bonds	$10,000,000	Oct. 1, 1941	5%	April and Oct.	$500,000 00
Easton and Amboy R. R. Co.:—					
First mortgage bonds	6,000,000	May 1, 1920	5%	May and Nov.	300,000 00
Easton and Northern R. R. Co.:—					
First mortgage bonds	51,000	Nov. 1, 1935	4½%	May and Nov.	2,295 00
Penna. and New York Canal and R. R. Co.:—					
Consolidated mortgage bonds	4,000,000	April 1, 1939	5%	April and Oct.	200,000 00
Consolidated mortgage bonds	1,500,000	"	4½%	"	67,500 00
Consolidated mortgage bonds	3,000,000	"	4%	"	120,000 00
Lehigh and New York R. R. Co.:—					
First mortgage bonds	2,000,000	Sept. 1, 1945	4%	March and Sept.	80,000 00
The Lehigh Valley Rail Way Co.:—					
First mortgage bonds	15,000,000	July 1, 1940	4½%	Jan. and July	675,000 00
The Elmira, Cortland and Northern R. R. Co.:—					
First mortgage preferred bonds	*750,000	April 1, 1914	6%	April and Oct.	33,750 00
First mortgage bonds	*1,250,000	"	5%	"	46,875 00
Middlesex Valley R. R. Co.:—					
First mortgage bonds	200,000	Nov. 1, 1942	5%	May and Nov.	10,000 00
The Lehigh and Lake Erie R. R. Co.:—					
First mortgage bonds	3,000,000	March 1, 1957	4½%	March and Sept.	135,000 00
Total	$46,751,000				$2,170,420 00

Rentals	
State Line and Sullivan R. R. Co.	40,000 00
Raritan Terminal and Transportation Co.	2,000 00
Total deductions for lease of other roads	$2,212,420 00

* Matured and paid off April 1, 1914.

STATEMENT OF SECURITIES OWNED—NOT PLEDGED

IN TREASURY	Par Value
BONDS	
Lehigh Valley Railroad Co., General Consolidated Mortgage	$13,000,000 00
Lehigh Valley Railroad Co., Collateral Trust Mortgage	1,261,000 00
Consolidated Real Estate Co., First Mortgage	2,600,000 00
Easton and Northern Railroad Co., First Mortgage	249,000 00
Greenville and Hudson Railway Co., First Mortgage	350,000 00
Irvington Railroad Co., First Mortgage	125,000 00
Lehigh and Hudson River Railway Co., Debentures	34,000 00
Middlesex Valley Railroad Co., First Mortgage	400,000 00
Montrose Railroad Co., First Mortgage	100,000 00
Montrose Railroad Co., Debentures	12,000 00
Morris Canal and Banking Co., First Mortgage	500,000 00
Rochester Southern Railroad Co., First Mortgage	425,000 00
Schuylkill and Lehigh Valley Railroad Co., First Mortgage	2,000,000 00
Seneca County Railway, First Mortgage	500,000 00
Wyoming Valley Water Supply Co., First Mortgage	1,228,000 00
Total	$22,784,000 00
EQUIPMENT TRUST CERTIFICATES	
Lehigh Valley Railroad Company, Series I	$1,200,000 00
Lehigh Valley Railroad Company, Series K	1,050,000 00
Lehigh Valley Railroad Company, Series L	2,200,000 00
Total	$4.450,000 00
STOCKS	
Bay Shore Connecting Railroad Co.	$20,000 00
Buffalo Creek Railroad Co.	125,000 00
Consolidated Real Estate Co.	5,000 00
Fair Land Realty Co.	2,500 00
Highland Coal Co.	120,000 00
Lehigh and Hudson River Railway Co.	163,100 00
Montrose Railroad Co.	100,000 00
Morris Canal and Banking Co., consolidated	992,100 00
Morris Canal and Banking Co., preferred	1,139,900 00
Morris Canal and Banking Co., preferred dividend scrip	47,237 50
Packer Coal Co.	3,800 00
Philadelphia Bourse, common	1,500 00
Philadelphia Bourse, preferred	575 00
Philadelphia Grain Elevator Co.	205,000 00
Philadelphia Harbor Transfer	40,000 00
Pioneer Real Estate Co.	2,500 00
Temple Iron Co.	570,900 00
United Real Estate Co.	1,000 00
Weatherly Water Co.	8,000 00
Wyoming Valley Water Supply Co.	100,000 00
Total	$3,648,112 50

STATEMENT OF SECURITIES OWNED—PLEDGED

UNDER GENERAL CONSOLIDATED MORTGAGE	Par Value
BONDS	
Easton and Northern Railroad Co., Debentures	$23,000 00
Lehigh Valley Coal Co., Debentures	7,500,000 00
Lehigh Valley Railroad Co. of New Jersey, Debentures	2,485,000 00
Lehigh Valley Rail Way Co., Debentures	5,163,000 00
Lehigh Valley Transportation Co., Debentures	730,000 00
Loyalsock Railroad Co., Debentures	35,000 00
National Storage Co., Debentures	675,000 00
Pennsylvania and New York Canal and Railroad Co., Debentures	1,050,000 00
Schuylkill and Lehigh Valley Railroad Co., Debentures	6,000 00
Total	$17,667,000 00
STOCKS	
Easton and Northern Railroad Co.	$565,000 00
Lehigh and New York Railroad Co., preferred	2,271,350 00
Lehigh Valley Coal Co.	1,965,000 00
Lehigh Valley Railroad Co. of New Jersey	12,506,000 00
Lehigh Valley Rail Way Co.	11,745,000 00
Lehigh Valley Transportation Co.	1,510,000 00
Loyalsock Railroad Co.	825,000 00
National Storage Co.	2,400,000 00
New York and Middle Coal Field Railroad and Coal Co.	1,216,325 00
Pennsylvania and New York Canal and Railroad Co.	1,511,550 00
Schuylkill and Lehigh Valley Railroad Co.	2,000,000 00
Total	$38,515,225 00
UNDER COLLATERAL TRUST AGREEMENT	
STOCKS	
Coxe Brothers & Company, Incorporated	$2,910,150 00
Delaware, Susquehanna and Schuylkill Rail Road Co.	1,500,000 00
Total	$4,410,150 00
UNDER TRUST AGREEMENT	
STOCK	
Mutual Terminal Co. of Buffalo	$15,000 00

SUMMARY

Not pledged	$30,882,112 50
Pledged	60,607,375 00
Total	$91,489,487 50

MONTHLY OPERATING REVENUES AND EXPENSES FOR THE YEAR ENDED JUNE

	OPERATING REVENUES					
	Coal Freight	Merchandise Freight	Passenger	Mail and Express	Miscellaneous	Total
July, 1913	$1,528,014 78	$1,278,533 85	$519,096 45	$54,980 67	$67,075 04	$3,447,700 79
August, "	1,569,179 01	1,379,554 90	599,914 01	56,912 50	66,735 49	3,672,295 91
September, "	1,555,811 70	1,431,329 24	463,202 65	55,356 33	80,297 49	3,585,997 41
October, "	1,791,685 71	1,553,441 65	396,472 91	58,609 72	75,216 15	3,875,426 14
November, "	1,712,440 60	1,333,150 75	382,979 43	60,275 43	61,052 62	3,549,898 83
December, "	1,413,115 19	1,198,929 64	377,619 17	52,133 91	63,505 25	3,105,303 16
January, 1914	1,235,880 83	1,072,720 51	300,041 94	56,040 82	56,602 32	2,721,286 42
February, "	1,034,843 25	903,194 40	264,265 20	47,333 03	62,749 23	2,312,385 11
March, "	1,412,306 53	1,172,584 57	302,513 08	43,943 07	69,683 54	3,000,130 79
April, "	1,675,278 95	1,210,495 25	370,754 93	47,960 16	70,599 92	3,375,089 21
May, "	1,723,408 81	1,261,467 06	397,444 34	51,165 27	82,936 42	3,516,421 90
June, "	1,840,717 99	1,231,282 29	420,843 33	55,213 71	73,570 96	3,621,628 28
Total, year ended June 30, 1914	$18,492,683 35	$15,026,684 11	$4,795,147 44	$639,024 62	$830,024 43	$39,783,563 95
Total, year ended June 30, 1913	20,385,389 09	16,339,748 97	4,867,554 03	698,012 22	752,667 58	43,043,371 89
Increase					$77,356 85	
Decrease	$1,892,705 74	$1,313,064 86	$72,406 59	$58,987 60		$3,259,807 94
Increase, per cent.					10.28	
Decrease, "	9.28	8.04	1.49	8.45		7.57

30, 1914, COMPARED WITH TOTALS FOR THE YEAR ENDED JUNE 30, 1913

OPERATING EXPENSES					NET OPERATING REVENUE
Maintenance of Way and Structures	Maintenance of Equipment	Traffic and Transportation Expenses	General Expenses	Total	
$413,137 29	$582,354 50	$1,252,715 07	$67,304 10	$2,315,510 96	$1,132,189 83
423,184 37	605,985 81	1,247,758 27	66,686 48	2,343,614 93	1,328,680 98
434,016 93	564,394 04	1,289,101 00	72,494 14	2,360,006 11	1,225,991 30
430,700 54	745,880 61	1,330,653 50	69,179 70	2,576,414 35	1,299,011 79
387,271 69	657,175 71	1,335,423 98	67,667 22	2,447,538 60	1,102,360 23
389,954 09	589,611 35	1,281,040 97	83,296 05	2,343,902 46	761,400 70
308,967 10	574,671 76	1,240,010 07	81,472 12	2,205,121 05	516,165 37
288,744 59	465,736 68	1,158,368 42	80,458 27	1,993,307 96	319,077 15
362,803 23	580,260 23	1,293,958 55	107,002 78	2,344,024 79	656,106 00
362,593 58	585,452 38	1,227,107 70	93,205 85	2,268,359 51	1,106,729 70
405,265 04	548,480 01	1,228,559 83	71,107 16	2,253,412 04	1,263,009 86
368,423 51	511,943 26	1,189,357 45	88,224 85	2,157,949 07	1,463,679 21
$4,575,061 96	$7,011,946 34	$15,074,054 81	$948,098 72	$27,609,161 83	$12,174,402 12
5,694,422 24	7,561,270 87	14,976,475 01	875,651 45	29,107,819 57	13,935,552 32
.		$97,579 80	$72,447 27		
$1,119,360 28	$549,324 53			$1,498,657 74	$1,761,150 20
.		.65	8.27		
19.66	7.26			5.15	12.64

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1914	1913	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	$229,817 38	$222,702 05	$7,115 33	
Ballast	66,447 99	54,094 49	12,353 50	
Ties	827,920 71	855,675 87		$27,755 16
Rails	309,743 00	728,571 53		418,828 53
Other track material	191,703 88	279,009 18		87,305 30
Roadway and track	1,345,067 39	1,673,560 17		328,492 78
Removal of snow, sand and ice	80,100 85	29,954 19	50,146 66	
Tunnels	6,900 71	7,589 43		688 72
Bridges, trestles and culverts	295,419 62	496,504 66		201,085 04
Over and under grade crossings	7,469 91	15,710 89		8,240 98
Grade crossings, fences, cattle guards and signs	56,120 39	52,164 91	3,955 48	
Snow and sand fences and snow sheds	3,893 19	3,320 82	572 37	
Signals and interlocking plants	337,462 69	320,587 73	16,874 96	
Telegraph and telephone lines	95,756 75	69,939 31	25,817 44	
Buildings, fixtures and grounds	499,128 61	486,607 65	12,520 96	
Docks and wharves	116,579 57	291,173 80		174,594 23
Roadway tools and supplies	47,782 63	55,097 39		7,314 76
Injuries to persons	10,464 29	9,290 15	1,174 14	
Stationery and printing	7,106 88	8,106 54		999 66
Other expenses	755 69	4,091 09		3,335 40
Maintaining joint tracks, yards and other facilities—Dr.	80,181 43	70,021 07	10,160 36	
Maintaining joint tracks, yards and other facilities—Cr.	*40,761 60	*39,350 68		1,410 92
Total maintenance of way and structures	$4,575,061 96	$5,694,422 24		$1,119,360 28
MAINTENANCE OF EQUIPMENT:—				
Superintendence	$142,983 60	$137,831 04	$5,152 56	
Steam locomotives—Repairs	2,278,632 25	2,237,928 15	40,704 10	
Steam locomotives—Renewals	18,581 19	193,269 87		$174,688 68
Steam locomotives—Depreciation	321,799 25	277,826 03	43,973 22	
Amounts carried forward	$2,761,996 29	$2,846,855 09		$84,858 80

*Credit.

FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

ACCOUNT	1914	1913	INCREASE	DECREASE
MAINTENANCE OF EQUIPMENT—*Continued:*—				
Amounts brought forward	$2,761,996 29	$2,846,855 09		$84,858 80
Passenger train cars—Repairs	317,119 42	369,492 54		52,373 12
Passenger train cars—Renewals	4,727 90	134,888 16		130,160 26
Passenger train cars—Depreciation	63,060 22	65,310 05		2,249 83
Freight train cars—Repairs	2,521,583 99	2,706,833 07		185,249 08
Freight train cars—Renewals	304,380 97	362,751 66		58,370 69
Freight train cars—Depreciation	828,154 22	782,742 42	$45,411 80	
Floating equipment—Repairs	158 11	142 42	15 69	
Floating equipment—Depreciation	237 48	237 48		
Work equipment—Repairs	46,281 89	46,865 58		583 69
Work equipment—Renewals	10,872 66	54,399 54		43,526 88
Work equipment—Depreciation	21,477 99	17,891 99	3,586 00	
Shop machinery and tools	105,279 37	126,674 44		21,395 07
Injuries to persons	15,464 81	10,755 58	4,709 23	
Stationery and printing	11,151 02	11,670 51		519 49
Other expenses		10,010 34		10,010 34
Maintaining joint equipment at terminals—Dr.		13,750 00		13,750 00
Total maintenance of equipment	$7,011,946 34	$7,561,270 87		$549,324 53
TRAFFIC EXPENSES:—				
Superintendence	$181,340 71	$181,558 14		$217 43
Outside agencies	514,273 80	509,111 84	$5,161 96	
Advertising	108,885 97	122,822 68		13,936 71
Traffic associations	19,304 51	16,444 99	2,859 52	
Fast freight lines	77,103 03	76,991 91	111 12	
Industrial and immigration bureaus	17,018 99	11,065 62	5,953 37	
Stationery and printing	84,945 10	64,862 48	20,082 62	
Total traffic expenses	$1,002,872 11	$982,857 66	$20,014 45	
TRANSPORTATION EXPENSES:—				
Superintendence	$366,533 98	$347,476 10	$19,057 88	
Despatching trains	115,013 66	107,842 59	7,171 07	
Station employes	1,430,176 38	1,396,770 80	33,405 58	
Amounts carried forward	$1,911,724 02	$1,852,089 49	$59,634 53	

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1914	1913	INCREASE	DECREASE
TRANSPORTATION EXPENSES—*Continued:*—				
Amounts brought forward . . .	$1,911,724 02	$1,852,089 49	$59,634 53	
Weighing and car service associations	28,293 22	20,887 58	7,405 64	
Coal and ore docks	176,532 73	237,077 55		$60,544 82
Station supplies and expenses . . .	160,834 71	138,737 80	22,096 91	
Yard masters and their clerks . . .	266,431 99	257,455 46	8,976 53	
Yard conductors and brakemen . .	970,889 27	975,051 56		4,162 29
Yard switch and signal tenders . . .	66,374 57	62,444 66	3,929 91	
Yard supplies and expenses	18,903 92	18,187 21	716 71	
Yard enginemen	563,537 91	573,481 82		9,943 91
Enginehouse expenses—Yard. . . .	127,548 94	114,644 22	12,904 72	
Fuel for yard locomotives	477,652 95	474,479 23	3,173 72	
Water for yard locomotives	25,246 79	22,444 97	2,801 82	
Lubricants for yard locomotives . .	4,713 39	7,251 83		2,538 44
Other supplies for yard locomotives	8,723 59	8,684 90	38 69	
Operating joint yards and terminals —Dr.	88,824 87	50,815 21	38,009 66	
Operating joint yards and terminals —Cr.	*36,596 88	*32,380 42		4,216 46
Road enginemen	1,837,248 53	1,913,420 72		76,172 19
Enginehouse expenses—Road . . .	442,422 47	410,469 00	31,953 47	
Fuel for road locomotives	3,128,496 32	3,224,046 50		95,550 18
Water for road locomotives	133,607 41	116,003 89	17,603 52	
Lubricants for road locomotives . .	41,674 04	49,235 44		7,561 40
Other supplies for road locomotives .	48,010 34	45,854 01	2,156 33	
Road trainmen	1,993,950 51	1,920,753 44	73,197 07	
Train supplies and expenses	385,359 59	413,985 63		28,626 04
Interlockers, block and other signals— Operation	218,836 18	210,411 24	8,424 94	
Crossing flagmen and gatemen . . .	76,308 18	69,894 95	6,413 23	
Draw bridge operation	5,165 83	5,255 51		89 68
Amounts carried forward . . .	$13,170,715 39	$13,160,683 40	$10,031 99	

*Credit.

FOR THE YEARS ENDED JUNE 30, 1914 AND 1913—Continued

ACCOUNT	1914	1913	INCREASE	DECREASE
TRANSPORTATION EXPENSES—*Continued:*—				
Amounts brought forward	$13,170,715 39	$13,160,683 40	$10,031 99	
Clearing wrecks	70,279 38	80,226 73		$9,947 35
Telegraph and telephone—Operation	107,403 74	107,658 83		255 09
Operating floating equipment	2,628 59	2,933 75		305 16
Stationery and printing	85,939 18	92,869 00		6,929 82
Other expenses	9,538 17	11,668 71		2,130 54
Loss and damage—Freight	333,507 49	204,022 32	129,485 17	
Loss and damage—Baggage	1,701 50	605 16	1,096 34	
Damage to property	28,152 25	26,739 77	1,412 48	
Damage to stock on right of way	2,514 57	1,624 41	890 16	
Injuries to persons	217,849 75	277,453 41		59,603 66
Operating joint tracks—Dr.	56,889 04	43,760 66	13,128 38	
Operating joint tracks—Cr.	*15,936 35	*16,628 80	692 45	
Total transportation expenses	$14,071,182 70	$13,993,617 35	$77,565 35	
GENERAL EXPENSES:—				
Salaries and expenses of general officers	$148,714 05	$139,840 05	$8,874 00	
Salaries and expenses of clerks and attendants	378,402 76	359,151 58	19,251 18	
General office supplies and expenses	28,659 62	29,907 92		$1,248 30
Law expenses	116,047 82	133,318 27		17,270 45
Insurance	51,804 23	62,222 37		10,418 14
Relief department expenses	59,677 13	56,991 34	2,685 79	
Pensions	7,401 46	9,029 14		1,627 68
Stationery and printing	51,024 63	37,795 82	13,228 81	
Other expenses	40,589 30	47,394 96		6,805 66
Valuation expenses	65,777 72		65,777 72	
Total general expenses	$948,098 72	$875,651 45	$72,447 27	
TOTAL OPERATING EXPENSES	$27,609,161 83	$29,107,819 57		$1,498,657 74

*Credit.

STATEMENT OF OPERATING REVENUES AND EXPENSES FOR TEN YEARS, 1905 TO 1914 INCLUSIVE

OPERATING REVENUES

Years Ended June 30	Coal Freight	Merchandise Freight	Passenger	Mail and Express	Miscellaneous	Total Operating Revenues	Net Operating Revenue
1905	$13,530,337 42	$12,432,582 74	$3,509,825 33	$544,768 49	$1,258,328 74	$31,275,842 72	$12,346,141 39
1906	13,248,565 42	13,934,127 10	3,971,392 05	585,452 24	1,050,319 82	32,789,856 63	12,637,645 91
1907	15,270,213 84	14,864,262 21	4,326,118 87	591,745 99	469,105 81	35,521,446 72	13,554,116 09
1908	16,175,279 94	14,011,301 78	4,159,890 47	592,630 94	571,051 09	35,510,154 22	13,198,117 73
1909	14,831,670 78	13,291,830 90	3,905,062 74	616,124 73	493,143 06	33,137,832 21	12,562,095 91
1910	15,821,797 62	14,757,799 34	4,330,172 45	656,297 45	601,331 31	36,167,398 17	14,483,250 94
1911	17,155,534 15	14,687,291 27	4,568,029 75	644,579 91	631,967 91	37,687,402 99	14,280,084 63
1912	16,301,316 24	14,591,239 56	4,703,733 52	663,660 96	645,984 93	36,905,935 21	12,185,685 40
1913	20,385,389 09	16,339,748 97	4,867,554 03	698,012 22	752,667 58	43,043,371 89	13,935,552 32
1914	18,492,683 35	15,026,684 11	4,795,147 44	639,024 62	830,024 43	39,783,563 95	12,174,402 12

The ratio of each class of operating revenues to total operating revenues is as follows:—

	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal freight	43.26	40.40	42.99	45.55	44.76	43.75	45.52	44.17	47.36	46.48
Merchandise freight	39.75	42.50	41.84	39.46	40.11	40.80	38.97	39.54	37.96	37.77
Passenger	11.22	12.11	12.18	11.71	11.78	11.97	12.12	12.74	11.31	12.05
Mail and express	1.74	1.79	1.67	1.67	1.86	1.82	1.71	1.80	1.62	1.61
Miscellaneous	4.03	3.20	1.32	1.61	1.49	1.66	1.68	1.75	1.75	2.09

OPERATING EXPENSES

Years Ended June 30	Maintenance of Way and Structures	Maintenance of Equipment	Traffic and Transportation Expenses	General Expenses	Total Operating Expenses	Ratio of Total Expenses to Revenues
						Per Cent.
1905	$3,269,382 74	$4,894,269 44	$10,179,037 79	$587,011 36	$18,929,701 33	60.52
1906	3,153,245 22	5,485,794 06	10,891,953 73	621,217 71	20,152,210 72	61.46
1907	3,344,181 89	6,186,873 82	11,920,347 57	515,927 35	21,967,330 63	61.84
1908	3,398,642 07	6,153,874 30	12,121,580 08	637,940 04	22,312,036 49	62.83
1909	3,273,339 47	5,832,430 15	10,760,202 59	709,764 09	20,575,736 30	62.09
1910	3,462,903 41	5,995,810 09	11,512,285 21	713,148 52	21,684,147 23	59.95
1911	3,620,176 26	6,003,286 95	12,989,953 65	793,901 50	23,407,318 36	62.11
1912	3,963,589 12	6,313,316 76	13,587,078 40	856,265 53	24,720,249 81	66.98
1913	5,694,422 24	7,561,270 87	14,976,475 01	875,651 45	29,107,819 57	67.62
1914	4,575,061 96	7,011,946 34	15,074,054 81	948,098 72	27,609,161 83	69.40

The ratio of each class of operating expenses to total operating revenues is as follows:—

	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way and structures	10.45	9.62	9.41	9.57	9.88	9.57	9.61	10.74	13.23	11.50
Maintenance of equipment	15.65	16.73	17.42	17.33	17.60	16.58	15.93	17.11	17.57	17.63
Traffic and transportation expenses	32.55	33.22	33.56	34.13	32.47	31.83	34.47	36.81	34.79	37.89
General expenses	1.87	1.89	1.45	1.80	2.14	1.97	2.10	2.32	2.03	2.38

ENGINE, TRAIN, AND CAR STATISTICS FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

	1914	1913	Percentage of Increase or Decrease
Train and Engine Mileage			
Miles run by passenger trains (including express)	4,679,592	4,810,950	Dec. 2.73
Miles run by freight trains	8,768,300	9,703,311	Dec. 9.64
Total revenue train miles	13,447,892	14,514,261	Dec. 7.35
Miles run by work trains	588,886	917,985	Dec. 35.85
Miles run by special trains	68,375	59,914	Inc. 14.12
Total train mileage	14,105,153	15,492,160	Dec. 8.95
Miles run by yard switching engines	5,363,811	5,516,509	Dec. 2.77
Miles run by engines in helping service	1,195,254	1,216,068	Dec. 1.71
Miles run by engines in light service	1,585,383	1,820,274	Dec. 12.90
Total engine mileage	22,249,601	24,045,011	Dec. 7.47
Car Statistics			
Mileage of loaded freight cars	216,704,897	238,001,683	Dec. 8.95
Mileage of empty freight cars	107,877,123	107,068,254	Inc. .76
Mileage of caboose cars	8,377,947	9,229,168	Dec. 9.22
Total mileage of freight train cars	332,959,967	354,299,105	Dec. 6.02
Mileage of passenger cars, including Pullman cars	14,670,586	15,324,343	Dec. 4.27
Mileage of baggage, mail, express, and dining cars	9,753,553	10,485,266	Dec. 6.98
Total mileage of passenger train cars	24,424,139	25,809,609	Dec. 5.37
Mileage of work cars	2,176,617	4,200,017	Dec. 48.18
Mileage of special train cars	81,653	81,544	Inc. .13
Total mileage of non-revenue cars	2,258,270	4,281,561	Dec. 47.26
Total mileage of all cars	359,642,376	384,390,275	Dec. 6.44
Average number of loaded freight cars in train	24.71	24.53	Inc. .73
Average number of empty freight cars in train	13.26	11.98	Inc. 10.68
Average number of cars in each freight train	37.97	36.51	Inc. 4.00
*Percentage of loaded cars in each freight train	65.08	67.19	Dec. 3.13
Average miles run per freight car per day (including foreign)	20.35	21.99	Dec. 7.46
Average daily mileage of foreign freight cars on lines of Lehigh Valley System	29.62	29.28	Inc. 1.16
Average number of passenger cars in train	3.14	3.18	Dec. 1.26
Average number of baggage, mail, express, and dining cars in train	2.08	2.18	Dec. 4.59
Average number of cars in each passenger train	5.22	5.36	Dec. 2.61
Average miles run per passenger car per day	102.82	95.80	Inc. 7.33

*Caboose included in empty mileage.

STATISTICS OF OPERATING REVENUES AND EXPENSES

Revenues, Expenses, and Net Revenue	1914	1913	Increase		Decrease	
			Amount	Per cent.	Amount	Per cent.
Average miles of road operated	1,439.99	1,450.97			10.98	.76
Total revenue train miles	13,447,892	14,514,261			1,066,369	7.35
Freight and passenger revenue	$38,314,514 90	$41,592,692 09			$3,278,177 19	7.88
Freight and passenger revenue per mile of road	26,607 49	28,665 44			2,057 95	7.18
Operating revenues	39,783,563 95	43,043,371 89			3,259,807 94	7.57
Operating revenues per mile of road	27,627 66	29,665 24			2,037 58	6.87
Operating revenues per revenue train mile	2.958	2.965			.007	.24
Operating expenses	27,609,161 83	29,107,819 57			1,498,657 74	5.15
Operating expenses per mile of road	19,173 16	20,060 94			887 78	4.43
Operating expenses per revenue train mile	2.053	2.005	$0.048	2.39		
Net operating revenue	12,174,402 12	13,935,552 32			1,761,150 20	12.64
Net operating revenue per mile of road	8,454 50	9,604 30			1,149 80	11.97
Net operating revenue per revenue train mile	.905	.960			.055	5.73
Passenger						
Passenger revenue	$4,795,147 44	$4,867,554 03			$72,406 59	1.49
Passenger train revenue	5,543,438 69	5,665,147 32			121,708 63	2.15
Number of passengers carried	5,729,042	5,518,524	210,518	3.81		
Number of passengers carried one mile	265,337,930	271,691,102			6,353,172	2.34
Average distance each passenger carried	46.31 miles	49.23 miles			2.92 miles	5.93
Average number of passengers one mile per mile of road	184,264	187,248			2,984	1.59
Average revenue per passenger	83.70 cents	88.20 cents			4.50 cents	5.10
Average revenue per passenger per mile	1.807 cents	1.792 cents	.015 cent	.84		
Passenger train mileage	4,340,095	4,491,013			150,918	3.36
Passenger train mileage (including express)	4,679,592	4,810,950			131,358	2.73
Passenger revenue per mile of road	$3,329 99	$3,354 69			$24 70	.74
Passenger revenue per train mile	110.48 cents	108.38 cents	2.10 cents	1.94		
Passenger train revenue per mile of road	$3,849 64	$3,904 39			$54 75	1.40
Passenger train revenue per train mile	118.46 cents	117.76 cents	.70 cent	.59		
Average number of passengers in each train	61.14	60.50	.64	1.06		
Passenger car mileage	14,670,586	15,324,343			653,757	4.27
Baggage, mail, express, and dining car mileage	9,753,553	10,485,266			731,713	6.98
Total mileage of passenger train cars	24,424,139	25,809,609			1,385,470	5.37
Average number of passengers in each passenger car	18.09	17.73	.36	2.03		

FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

	1914	1913	Increase		Decrease	
			Amount	Per cent.	Amount	Per cent.
PASSENGER—(*Continued*)						
Average number of passenger cars in train	3.14	3.18			.04	1.26
Average number of baggage, mail, express, and dining cars in train	2.08	2.18			.10	4.59
Average number of cars in each passenger train	5.22	5.36			.14	2.61
FREIGHT						
Freight revenue	$33,519,367 46	$36,725,138 06			$3,205,770 60	8.73
EXCLUDING COMPANY'S SUPPLIES						
Number of tons carried	29,924,119	32,367,796			2,443,677	7.55
Number of tons carried one mile	5,218,751,555	5,812,384,917			593,633,362	10.21
Average distance carried	174.40 miles	179.57 miles			5.17 miles	2.88
Average number of tons carried one mile per mile of road	3,624,158	4,005,862			381,704	9.53
Average revenue per ton	112.01 cents	113.46 cents			1.45 cents	1.28
Average revenue per ton per mile	.642 cent	.632 cent	.010 cent	1.58		
Freight train mileage	8,768,300	9,703,311			935,011	9.64
Freight revenue per mile of road	$23,277 50	$25,310 75			$2,033 25	8.03
Freight revenue per train mile	$3.82	$3.78	$0.04	1.06		
Average number of tons in each train	595.18	599.01			3.83	.64
Average number of tons in each loaded car	24.08	24.42			.34	1.39
INCLUDING COMPANY'S SUPPLIES						
Number of tons carried	33,059,874	35,689,837			2,629,963	7.37
Number of tons carried one mile	5,411,213,257	6,022,947,268			611,734,011	10.16
Average distance carried	163.68 miles	168.76 miles			5.08 miles	3.01
Average number of tons in each train	617.13	620.71			3.58	.58
Average number of tons in each loaded car	24.97	25.31			.34	1.34

PERFORMANCE OF LOCOMOTIVES

	1914	1913	Increase	Decrease
Locomotive Mileage				
Passenger	4,340,095	4,491,013		150,918
Freight	8,768,300	9,703,311		935,011
Express	339,497	319,937	19,560	
Special	68,375	59,914	8,461	
Helping, freight	1,061,933	1,063,104		1,171
Helping, passenger	133,321	152,964		19,643
Light	1,585,383	1,820,274		234,891
Switching	5,363,811	5,516,509		152,698
Total (excluding work)	21,660,715	23,127,026		1,466,311
Work	588,886	917,985		329,099
Total	22,249,601	24,045,011		1,795,410
Average passenger	50,485	52,149		1,664
Average freight	29,886	33,491		3,605
Average switching and other	28,212	28,725		513
Average all services	32,434	34,697		2,263
Percentage of passenger helping	2.59	2.88		.29
Percentage of freight helping	9.52	8.65	.87	
Greatest mileage made by an engine in passenger service	100,189	105,358		5,169
Greatest mileage made by an engine in freight service	52,578	53,706		1,128
Car Mileage				
Passenger, express and special	24,505,792	25,891,153		1,385,361
Freight, loaded	216,704,897	238,001,683		21,296,786
Freight, empty	107,877,123	107,068,254	808,869	
Work, loaded and empty	2,176,617	4,200,017		2,023,400
Caboose	8,377,947	9,229,168		851,221
Total	359,642,376	384,390,275		24,747,899
Average cars per draft, passenger	5.2	5.3		.1
*Average cars per draft, freight (loaded basis)	30.9	30.5	.4	

*Two empty freight cars equaling one loaded; caboose mileage included in empty mileage.

FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

	1914	1913	Increase	Decrease
Fuel Coal used per Mile				
	pounds	pounds	pounds	pounds
Passenger locomotive	129.4	120.2	9.2	
Freight locomotive	257.3	244.3	13.0	
Switching and other locomotive	108.3	102.8	5.5	
All services	187.8	179.0	8.8	
Passenger car	27.1	24.7	2.4	
Freight car	10.4	10.1	.3	
Oil and Waste				
	miles	miles	miles	miles
Lubricating oil, locomotive miles per pint	18.51	21.75		3.24
Cylinder oil, locomotive miles per pint	60.67	61.94		1.27
Waste, locomotive miles per pound	78.70	80.37		1.67
Cost per Locomotive Mile				
	cents	cents	cents	cents
Fuel	16.70	16.03	.67	
Oil and waste	.21	.24		.03
Other supplies	.26	.24	.02	
Water supply	.74	.60	.14	
Enginemen and firemen	11.12	10.78	.34	
Enginehouse expenses	2.64	2.28	.36	
Repairs (excluding renewals)	10.24	9.31	.93	
Total	41.91	39.48	2.43	
Total, including renewals	41.99	40.28	1.71	
Cost per Car Mile				
	cents	cents	cents	cents
Fuel	1.20	1.15	.05	
Oil and waste	.02	.02		
Other supplies	.02	.02		
Water supply	.05	.04	.01	
Enginemen and firemen	.80	.77	.03	
Enginehouse expenses	.19	.16	.03	
Repairs (excluding renewals)	.76	.70	.06	
Total	3.04	2.86	.18	
Total, including renewals	3.05	2.92	.13	

CLASSIFICATION OF ADDITIONS AND BETTERMENTS FOR YEAR ENDED JUNE 30, 1914

Engineering	$10,423 39
Right of way and station grounds	65,342 77
Grading	248,715 79
Bridges, trestles, and culverts	278,897 94
Ties	78,161 39
Rails	274,279 09
Frogs and switches	50,557 68
Track fastenings and other material	226,609 11
Ballast	12,384 90
Track laying and surfacing	101,200 73
Roadway tools	1,439 37
Fencing right of way	4,018 83
Crossings and signs	53,055 09
Interlocking and other signal apparatus	227,491 99
Telegraph and telephone lines	14,217 71
Station buildings and fixtures	212,284 76
Shops, enginehouses, and turntables	130,132 68
Shop machinery and tools	20,485 43
Water stations	23,764 54
Grain elevators	39,791 68
Dock and wharf property	38,059 95
Miscellaneous structures	37,477 20
Steam locomotives	1,217,947 05
Passenger train cars	506,795 78
Freight train cars	3,729,882 73
Work equipment	44,106 67
Total	$7,647,524 25

CLASSIFICATION OF TONNAGE FOR THE YEARS ENDED JUNE 30, 1914 AND 1913

COMMODITY	1914	1913	INCREASE	DECREASE
PRODUCTS OF AGRICULTURE:—				
Grain	1,129,122	1,459,586		330,464
Flour	643,218	651,614		8,396
Other mill products	261,107	322,832		61,725
Hay	254,599	244,057	10,542	
Tobacco (unmanufactured)	6,103	6,813		710
Cotton (unmanufactured)	39,314	33,910	5,404	
Fruits and vegetables	189,704	227,527		37,823
Other agricultural products	123,437	115,520	7,917	
PRODUCTS OF ANIMALS:—				
Live stock	133,535	151,057		17,522
Dressed meats	177,155	178,854		1,699
Other packing-house products	100,068	123,920		23,852
Poultry, game and fish	15,858	12,580	3,278	
Wool	14,134	12,422	1,712	
Hides and leather	46,519	45,044	1,475	
Milk and cream	120,671	120,104	567	
Other products of animals	89,365	80,111	9,254	
PRODUCTS OF MINES:—				
Ores	627,760	725,484		97,724
Stone, sand and other like articles	1,957,668	2,049,362		91,694
Anthracite coal (net tons)	13,564,929	14,732,949		1,168,020
Bituminous coal and coke	2,900,019	3,162,458		262,439
PRODUCTS OF FOREST:—				
Lumber	562,244	642,800		80,556
Bark	22,667	19,126	3,541	
Other products of the forest	258,497	283,450		24,953
MANUFACTURES:—				
Petroleum and other oils	390,763	394,170		3,407
Sugar and glucose	188,373	164,997	23,376	
Iron—pig and bloom	393,725	457,477		63,752
Iron and steel rails	310,104	440,865		130,761
Castings and machinery	202,261	212,103		9,842
Bar and sheet metal	294,859	296,642		1,783
Cement, brick and lime	1,538,143	1,684,307		146,164
Agricultural implements	52,220	62,414		10,194
Wagons, carriages, tools, etc.	24,333	27,270		2,937
Wines, liquors and beers	67,721	70,039		2,318
Household goods and furniture	38,689	40,382		1,693
Copper and lead—pig	288,671	311,337		22,666
Salt	237,359	222,700	14,659	
MISCELLANEOUS	2,659,205	2,581,513	77,692	
Total revenue tonnage	29,924,119	32,367,796		2,443,677

INVENTORY OF EQUIPMENT, JUNE 30, 1914

Locomotives	947
Tractive power (pounds)	30,231,790
Passenger Car Equipment:—	
Passenger	265
Dining	10
Café	2
Library buffet	5
Combined passenger and baggage	49
Combined baggage and mail	26
Baggage and express	108
Business	4
Postal	3
Milk	116
Fruit	10
Total	598
Freight Car Equipment:—	
Box	20,474
Coal	18,714
Gondola	3,802
Flat	161
Produce	509
Refrigerator	1,320
Stock	24
Automobile	298
Ice	272
Well	3
Gun and armor	5
Set of gun and armor trucks	1
Cabooses	497
Total	46,080
Tons capacity	1,710,000

Road Service Equipment:—	
Air-brake instruction	1
Air-dump	100
Box	4
Business	3
Derrick	40
Flat	36
Gondola	82
Grading	15
Hospital	1
Locomotive cranes	30
Pile driver	3
Pole	7
Scale test	3
Snow flangers	18
Snow plows	8
Spreader	4
Steam shovels	4
Supply	1
Tool	43
Tunnel	4
Unloader	1
Workmen's	335
Total	743
*Floating Equipment:—	
Lake steamers	6
Tugs	21
Steam lighters	5
Barges	234
Car floats	26
Cattle boats	5
Hoisting boat	1
Work boats	4
Wrecking boat	1
Total	303

* Does not include Morris Canal and Banking Company's equipment.

MILEAGE OF TRACK OPERATED

	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
Lehigh Valley Railroad Company:						
Main Line—Phillipsburg, N. J., to Northampton St., Wilkes-Barre, Pa.	99.23	88.12	44.81	29.76	164.33	426.25
Main Line Branches	51.17	18.12			25.77	95.06
Mahanoy and Hazleton Division:						
Main Line—Penn Haven Junction, Pa., to Mount Carmel, Pa. (via Hazleton)	52.34	46.07			67.22	165.63
Branches	114.16	33.82			65.81	213.79
Total	316.90	186.13	44.81	29.76	323.13	900.73
Controlled by Ownership of Entire Capital Stock	**First Track Miles**	**Second Track Miles**	**Third Track Miles**	**Fourth Track Miles**	**Yard Tracks and Sidings Miles**	**Total Tracks Miles**
Lehigh Valley Railroad Company of New Jersey:						
Main Line—Jersey City, N. J., to Phillipsburg, N. J.	75.05	74.39	37.83	13.05	115.41	315.73
Branches	46.93	18.27			141.55	206.75
Pennsylvania and New York Canal and Railroad Company:						
Main Line—Northampton St., Wilkes-Barre, Pa., to Pennsylvania State Line	96.56	96.56	4.80	2.03	176.39	376.34
Branches	40.52	1.57			39.25	81.34
The Lehigh Valley Rail Way Company:						
Main Line—Pennsylvania State Line to Buffalo, N. Y.	175.16	175.16	12.07		193.63	556.02
Branches	339.79	22.34			109.57	471.70
The Delaware, Susquehanna and Schuylkill Rail Road Company:						
Main Line—Eckley, Pa., to Sheppton, Pa.	19.15				7.61	26.76
Branches	13.47				10.26	23.73
Easton and Northern Railroad Company:						
Main Line—Easton, Pa., to Belfast, Pa.	11.08				3.34	14.42
Branches	1.70				1.50	3.20
The Schuylkill and Lehigh Valley Railroad Company:						
Main Line—Lizard Creek Junction, Pa., to Blackwood, Pa.	40.14				8.33	48.47
Branches	1.70					1.70
Loyalsock Railroad Company:						
Main Line—Luzerne, Pa., to Bernice, Pa.	44.85				7.74	52.59
Branches	5.44				1.61	7.05
Montrose Railroad Company:						
Main Line—Tunkhannock, Pa., to Montrose, Pa.	27.36				3.41	30.77
Total	938.90	388.29	54.70	15.08	819.60	2,216.57

MILEAGE OF TRACK OPERATED—Continued

Controlled by Ownership of Majority of Capital Stock and Lease	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
Lehigh and New York Railroad Company:						
Pennsylvania State Line to North Fair Haven, N. Y.	115.37				38.19	153.56

Operated Under Lease	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
State Line and Sullivan Railroad Company:						
Monroeton, Pa., to Bernice, Pa.	24.06				3.59	27.65
Hayts Corners, Ovid and Willard Railroad Company:						
Hayts Corners, N. Y., to Willard, N. Y.	2.98				.20	3.18
Raritan Terminal and Transportation Company:						
At Perth Amboy, N. J.	.69				.01	.70
National Storage Company:						
At National Stores, Jersey City, N. J.					9.16	9.16
Morris Canal and Banking Company:						
At Phillipsburg, N. J.					1.03	1.03
Total	27.73				13.99	41.72

Trackage Rights	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
Pennsylvania Railroad Company:						
Tomhicken, Pa., to Gum Run, Pa.	1.84					1.84
Peoples Railway Company:						
Minersville, Pa., to Pottsville, Pa.	3.47					3.47
Central Railroad Company of New Jersey:						
At Easton, Pa	.08					.08
Oak Island Junction, N. J., to Jersey City, N. J.	6.65	6.65				13.30
Wyoming and Pond Creek Railroad Company:						
Sandy Run Junction, Pa., to end of Line	1.07					1.07
Western New York and Pennsylvania Railway Company:						
At Buffalo, N. Y.	.34					.34
Susquehanna and New York Railroad Company:						
Towanda Junction, Pa., to Monroeton, Pa.	4.00					4.00
New York Central and Hudson River Railroad Company:						
Tonawanda Junction, N. Y., to Suspension Bridge, N. Y.	14.96	14.29				29.25
At Cayuga, N. Y.	2.20					2.20
On Wonalancet Branch, near Tonawanda, N. Y.	8.25					8.25
Suspension Bridge Yard					12.65	12.65
New York, Ontario and Western Railroad Company:						
At Sylvan Junction, N. Y.	.10					.10
Lehigh and Wilkes-Barre Coal Company:						
Franklin Junction, Pa., to Franklin Branch	1.00					1.00
Erie and Wyoming Valley Railroad Company:						
Duryea Junction, Pa., to Old Forge, Pa.	.88					.88
Total	44.84	20.94			12.65	78.43

MILEAGE OF TRACK OPERATED—Concluded

Recapitulation	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
Lehigh Valley Railroad Company	316.90	186.13	44.81	29.76	323.13	900.73
Controlled by ownership of entire capital stock	938.90	388.29	54.70	15.08	819.60	2,216.57
Controlled by ownership of majority of capital stock and lease	115.37				38.19	153.56
Operated under lease	27.73				13.99	41.72
Trackage rights	44.84	20.94			12.65	78.43
Total	1,443.74	595.36	99.51	44.84	1,207.56	3,391.01

Mileage by States	First Track Miles	Second Track Miles	Third Track Miles	Fourth Track Miles	Yard Tracks and Sidings Miles	Total Tracks Miles
Pennsylvania	655.27	284.26	49.61	31.79	586.16	1,607.09
New York	659.15	211.79	12.07		356.34	1,239.35
New Jersey	129.32	99.31	37.83	13.05	265.06	544.57
Total	1,443.74	595.36	99.51	44.84	1,207.56	3,391.01

1914